

Compagnie Financière Tradition FY 2016 results presentation

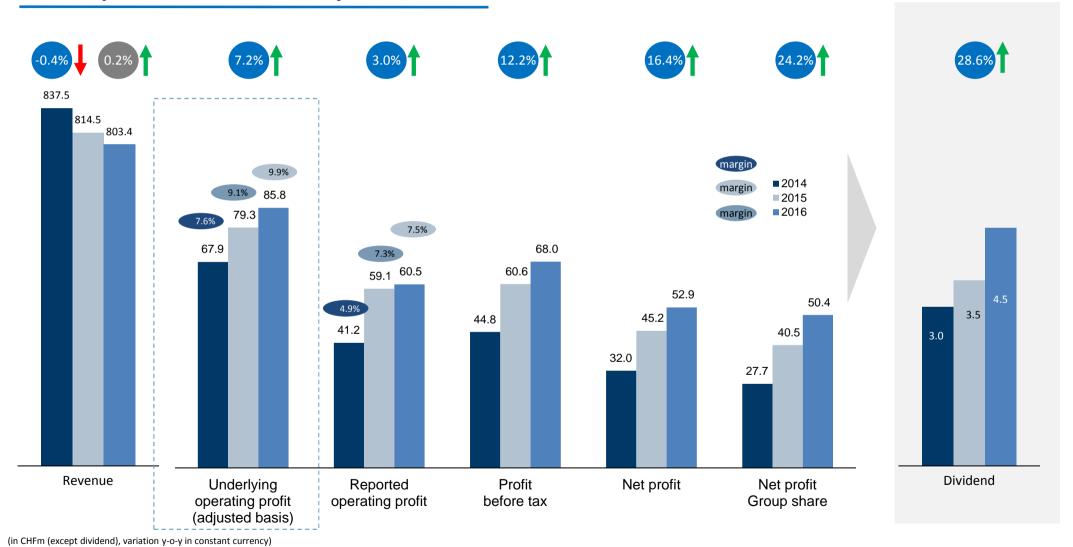
Zurich 10 March 2017



Improved profitability in a stabilizing revenue environment

Dividend in cash up close to 30% to CHF 4.50; exceptional dividend from treasury shares 1:25

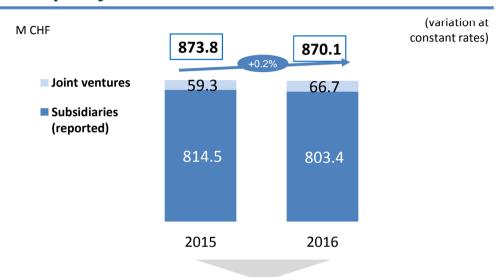
FY2016 performance summary



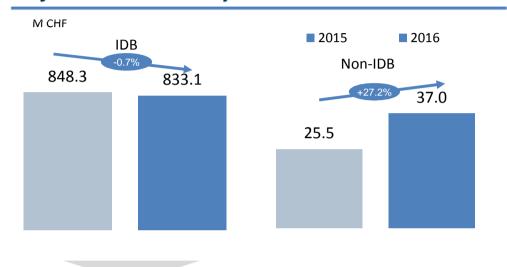
Revenue overview

Adjusted revenue up 0.2%

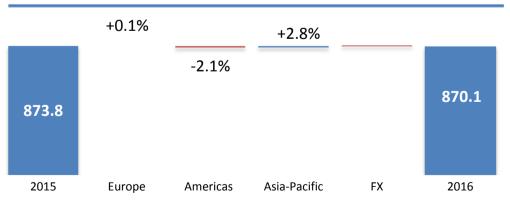
Group adjusted revenue



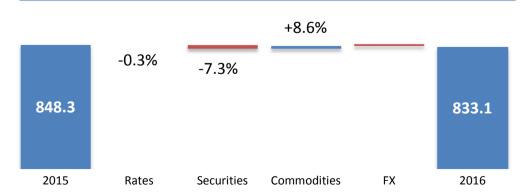
Adjusted revenue by business



Adjusted revenue by region

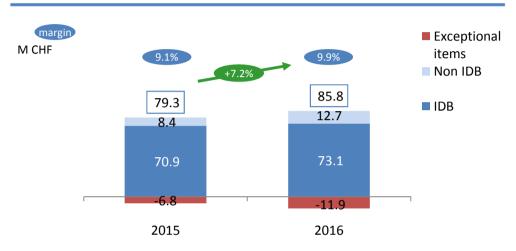


IDB Revenue by product

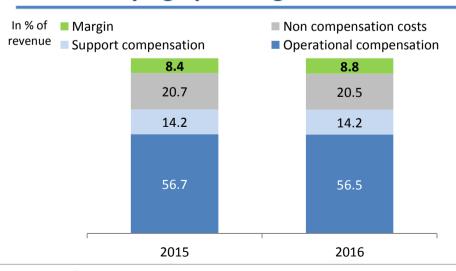


Adjusted underlying operating margin increase to 9.9%

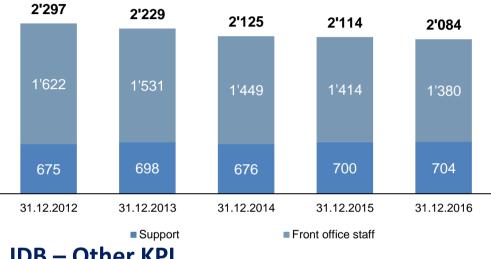
Adjusted underlying operating profit



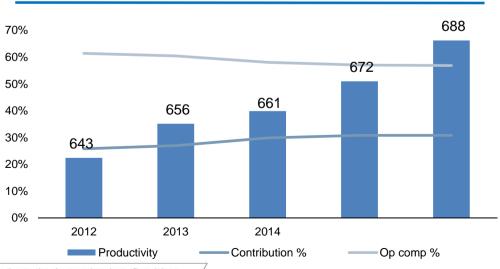
IDB underlying operating ratios



IDB Headcount trend



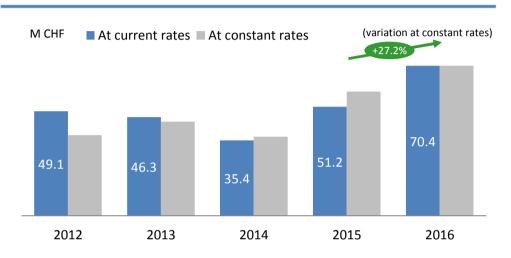
IDB – Other KPI



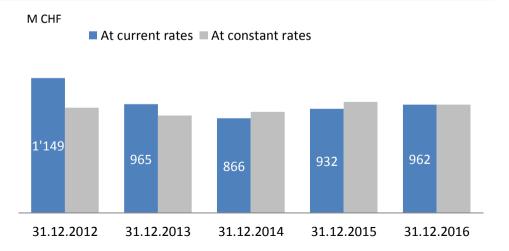
Gaitame.com continue to improve its profitability



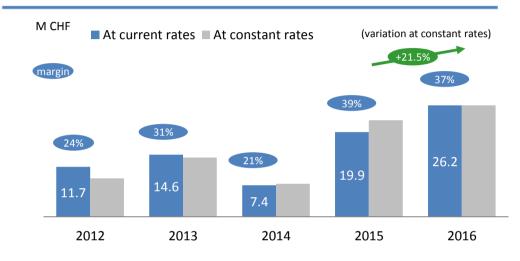
Revenue trend*



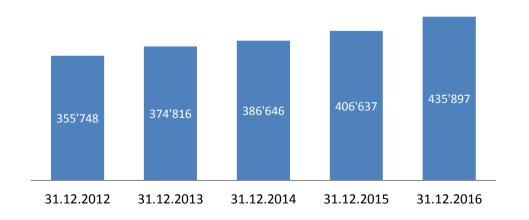
Client deposits trend*



EBITDA trend*



Number of clients trend*



Global Leaders In Interdealer Broking

Net profit – Group share up 24.2 % to CHF 50.4m

Net profit – Group share

M CHF	FY 2016	FY 2015	Change at current exchange rates	Change at constant exchange rates
Operating profit as reported	60.5	59.1	+2.2%	+3.0%
Net financial result	-2.1	-7.4		
Share of profit of associates and joint ventures	9.6	8.9		
Profit before tax	68.0	60.6	+12.2%	+12.2%
Income tax	-15.1	-15.4	-1.7%	+0.1%
Effective income tax rate	26%	30%		
Net profit for the period	52.9	45.2	+17.0%	+16.4%
Group share	50.4	40.5	+24.5%	+24.2%

M CHF	FY 2016	FY 2015
Net interest expense	-6.5	-6.9
Net foreign exchange gains/(losses)	5.0	0.5
Gains/(losses) on financial assets at fair value	-0.7	-1.1
Other financial (expense)/income	0.1	0.1
Total	-2.1	-7.4

% / M CHF	FY 2016	FY 2015
Normative income tax rate	17% ; 9.9m	22% ; 11.2m
Net unrecognized tax losses	4% ; 2.4m	5% ; 2.8m
Non-deductible expenses	5% ; 3.2m	8% ; 4.1m
Prior year tax	1% ; 0.3m	-1% ; -0.4m
Other items	-1% ; -0.7m	-4% ; -2.3m
Effective income tax rate	26% ; 15.1m	30% ; 15.4m

Continued focus on strong balance sheet

	Assets			Equity and Liabilities	
M CHF	31.12.16	31.12.15	M CHF	31.12.16	31.12.15
Property, Plant & Equipment	21.6	21.7	Capital	17.6	17.6
Intangible assets	51.0	47.4	Share premium	24.3	24.2
Investments in associates and joint ventures	126.6	115.0	Treasury shares	-36.0	-21.5
Available-for-sale financial assets (AFS)	8.9	7.1	Currency translation	-139.4	-133.8
Unavailable cash	33.3	32.1	Consolidated reserves	498.9	470.3
Other non-current assets	37.8	29.0	Equity – Group share	365.4	356.8
			Minority interests	14.9	13.2
Non-current assets	279.2	252.3	Equity – Total	380.3	370.0
			Long term financial debts	238.3	129.4
Receivables related to MP activities	97.0	234.2	Other non-current liabilities	26.1	26.2
Receivables related to AH activities	17.5	24.3			
Trade & other receivables	190.6	179.1	Short term financial debts	7.8	125.4
Financial assets at fair value and AFS	5.9	20.4	Payables related to MP activities	86.3	225.9
Cash & Cash equivalents	339.4	348.8	Payables related to AH activities	17.5	24.6
Other current assets	20.3	19.7	Trade & other payables	193.6	177.3
Current assets	670.7	826.5	Current liabilities	305.2	553.2
TOTAL ASSETS	949.9	1 078.8	TOTAL EQUITY AND LIABILITIES	949.9	1 078.8

Net cash position of CHF 223m¹⁾

Cash conversion up to 110% of operating profit before D&A

Net adjusted cash flows trend* Net cash position trend 600 Cash in JVs ■ Financial debts* M CHF Other liquid assets (AFS) ■ Unavailable cash, non-current Gross M CHF adjusted Movements in exchange rates Cash and cash equivalents 228 500 223 cash Net cash flows - financing activities ■ Net cash flows - investing activities 223 ■ Net cash flows - operating activities * 400 20 6 300 458 200 100 -18 -100 -138 -235 -247 -200

31.12.2016

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31.12.2015

31.12.2014

-300

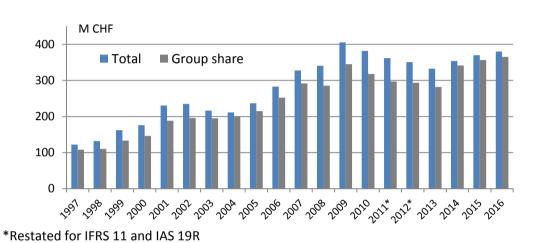
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FY 2016

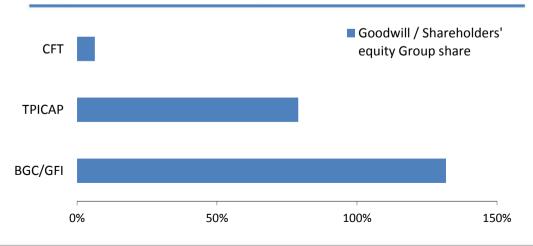
FY 2015

Total shareholders' equity amount to CHF 401.5m excluding treasury shares

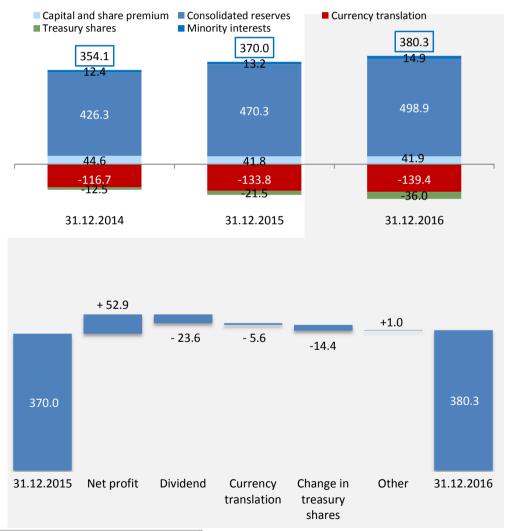
Shareholders' equity trend



Capital structure comparison¹



Shareholders' equity breakdown



Global Leaders In Interdealer Broking

Tradition to focus on growth opportunities

Phase 1 – 1997 to 2008

Phase 2 – 2009 to 2015

Phase 3 – 2016 onwards

Consistent strategy since 1997

- Return to profitability
- Built critical market share
- Focus on organic growth and sound financial position

Post Lehman shake up

- Regulatory transformation with increased pressure on banks
- Launch of electronic initiatives
- Focus on cost management and cultural changes

Top line stabilisation and growth opportunities

- Final stage of industry consolidation and pressure on smaller scale brokers
- Blurring of traditional market boundaries
- Development of Market Information and Content Services
- Focus on growth opportunities

Tradition, one of the 3 Global IDB

Through its existing network, the Group share revenue exceed CHF 900m

Strategy fundamentals remain

Growth

Capture growth opportunities in an industry at an inflection point

Total revenue from existing JV, associates and recent developments add up to CHF 235m Accelerate development from external acquisition and talent recruitment Opening of addressable market

Potential easing of existing regulation

Continue to build market share

Cost management

Capitalize on successful cultural change in cost management

Move from cost management to performance management Optimize current organization (eg IT)

Focus on operational performance

Financial position

Maintain focus on strong financial position

Significant shareholders equity

Low level of intangibles (especially compared to peers)

Gross adjusted cash of close to CHF 460m to support its growth initiatives

Maintain defensive balance sheet ONE

GLOBAL

FORCE



